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Copy To JIM
Tom T.
JAN 07 1982
SALT LAKE OFFICE
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January 5, 1981

State of Utah
Natural Resources and
Energy Oil, Gas, and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Attention: James W. Smith, Jr.

Re: T. J. Murphy, M & E Mine,
Grand County, Utah

Dear Mr. Smith:

This letter is to advise you that Mr. Murphy is now proceeding with the development of our tar sands property, and prior to our receiving our permit for the entire 480 acres we would like to proceed under the statute with a two acre plot which is set forth in the enclosed map prepared by our geologist, Mr. Robert E. Covington, and Kenneth Young.

It is my understanding that pursuant to Section 40-8-4 of the Code that we can proceed, with your permission, to have a mining operation as long as we do not exceed a two acre parcel of land and remove more than 500 tons of material.

Would you please grant a permit to us for the purpose of mining on the two acre property as set forth in the enclosed map, which is West of our No. 2 hole in the Bryson No. 4 Patented Claim in Section 5.

Also, please advise as to whether or not there will be any bond requirements or any other requirements of any type whatsoever, and we would like permission to proceed on the two acre plot as soon as possible.

RECEIVED

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DIVISION OF
OIL, GAS & MINING

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Also, please be advised that pursuant to your letter of December 1, 1981, we anticipate having all of that work done within the next week and will forward the information to your office so that this matter may come before the Commission and we can proceed with a general mining operation for the entire 480 acres.

We are excited about the possibility of being able to produce oil from the tar sands and we feel confident that it can be done and will await your reply with reference to the above.

Very truly yours,

BEASLIN, NYGAARD, COKE & VINCENT



John C. Beaslin

JCB:jr